

CITY OF DETROIT, MICHIGAN

COMPONENT UNITS

COMBINING FINANCIAL STATEMENTS

COMPONENTS UNITS ARE LEGALLY SEPARATE ORGANIZATIONS FOR WHICH ELECTED OFFICIALS OF THE CITY ARE FINANCIALLY ACCOUNTABLE

**Downtown Development
Authority (DDA)**

To account for tax revenue earmarked for the development of the City's downtown business district.

**Economic Development
Authority (EDC)**

To account for City grants earmarked for the expansion of industrial and commercial enterprise within the City.

**Local Development
Finance Authority (LDFA)**

To account for funds earmarked for certain improvements of local public roads in the vicinity of the Chrysler Jefferson Avenue Assembly Plant.

**Museum of African American
History (MAAH)**

To account for private and City grants earmarked for the operation of the museum.

**School District
of the
City of Detroit (the District)**

The District is a statutory body created by the State of Michigan and functions under the provisions of the Michigan School Code.

**Tax Increment Finance
Authority (TIFA)**

To account for revenues generated from the issuance of long-term securities and used to finance property for industrial development programs.

**Detroit Transportation
Corporation (DTC)**

To account for revenue and City subsidies used to operate the Central Automated Transit System (People Mover) in downtown Detroit.

**Greater Detroit Resource
Recovery Authority (GDRRA)**

To account for revenue from bonds issued for the construction and operation of a waste-to-energy facility.

EXHIBIT Y-1

City of
COMPONENT
COMBINING
June 30, 2001 With

ASSETS AND OTHER DEBITS	Governmental Funds			
	Downtown Development Authority	Economic Development Corporation	Local Development Finance Authority	Museum of African American History
Cash.....	\$ 9,395,324	\$ 263,854	\$ -	\$ 534,633
Investments.....	114,057,767	-	-	29,391
Accounts and Contracts Receivable:				
Due from Primary Government.....	-	50,000	-	-
Due from Other Governmental Agencies.....	-	-	-	-
Other Receivables.....	3,436,669	-	-	176,493
Total Accounts and Contracts				
Receivable - Gross.....	3,436,669	50,000	-	176,493
Allowance for Uncollectible Accounts.....	-	-	-	(90,000)
Total Accounts and Contracts				
Receivable - Net.....	3,436,669	50,000	-	86,493
Inventories.....	-	-	-	87,535
Prepaid Expenses.....	36,517	-	-	28,737
Taxes, Interest and Penalties - Net.....	10,501,306	-	-	-
Restricted Assets:				
Cash.....	-	3,230,273	-	-
Investments.....	4,042,692	18,066,878	18,859,167	-
Loans and Notes Receivable - Current.....	-	3,391,622	-	-
Loans and Notes Receivable - Noncurrent.....	72,229,605	19,180,930	-	-
Due from Primary Government.....	-	1,298,394	-	-
Escrow Deposits.....	109,884	75,073,547	-	-
Other Receivables.....	-	1,017,424	-	-
Total Restricted Assets.....	76,382,181	121,259,068	18,859,167	-
Deferred Charges.....	-	-	-	-
Long-Term Assets - Unamortized Bond				
Issuance Costs.....	4,117,876	-	-	-
Long-Term Assets - Other.....	-	-	-	-
Other Assets -				
Property, Plant and Equipment - Net.....	8,817,631	-	-	686,821
Amount Available in Debt Retirement.....	-	-	-	-
Amount to be Provided for Retirement of Long-Term Debt.....	207,444,198	14,014,838	96,520,000	-
Total Assets and Other Debits.....	\$ 434,189,469	\$ 135,587,760	\$ 115,379,167	\$ 1,453,610
(Continued)				

EXHIBIT Y-1

Detroit

UNITS

BALANCE SHEET

Comparative Totals for 2000, as Adjusted

Governmental Funds			Proprietary Funds					2000
School District of the City of Detroit	Tax Increment Finance Authority	Governmental Component Units Totals	Detroit Transportation Corporation	Greater Detroit Resource Recovery Authority	Proprietary Component Units Totals	2001 Component Units Totals	Component Units Totals as Adjusted	
\$ 5,360,670	\$ -	\$ 15,554,481	\$ 1,164,239	\$ -	\$ 1,164,239	\$ 16,718,720	\$ 5,563,745	
313,988,677	-	428,075,835	1,384,409	-	1,384,409	429,460,244	518,934,994	
-	-	50,000	3,628,439	-	3,628,439	3,678,439	50,000	
240,648,091	-	240,648,091	635,873	-	635,873	241,283,964	255,430,508	
87,940,239	-	91,553,401	153,843	-	153,843	91,707,244	74,375,369	
328,588,330	-	332,251,492	4,418,155	-	4,418,155	336,669,647	329,855,877	
-	-	(90,000)	-	-	-	(90,000)	(47,000)	
328,588,330	-	332,161,492	4,418,155	-	4,418,155	336,579,647	329,808,877	
6,112,841	-	6,200,376	2,368,197	-	2,368,197	8,568,573	9,681,758	
-	-	65,254	317,977	-	317,977	383,231	360,935	
72,838,631	-	83,339,937	-	-	-	83,339,937	62,141,243	
-	-	3,230,273	-	35,171	35,171	3,265,444	9,504,383	
-	24,266,920	65,235,657	7,329,757	196,988,736	204,318,493	269,554,150	240,336,244	
-	-	3,391,622	-	-	-	3,391,622	3,382,462	
-	-	91,410,535	-	-	-	91,410,535	94,286,955	
-	-	1,298,394	-	-	-	1,298,394	170,572	
-	-	75,183,431	-	-	-	75,183,431	70,860,047	
-	-	1,017,424	-	9,541,071	9,541,071	10,558,495	12,654,911	
-	24,266,920	240,767,336	7,329,757	206,564,978	213,894,735	454,662,071	431,195,574	
-	-	-	-	3,428,363	3,428,363	3,428,363	3,689,412	
-	-	4,117,876	-	5,704,443	5,704,443	9,822,319	10,922,445	
-	-	-	-	6,258,277	6,258,277	6,258,277	7,112,364	
822,075,714	-	831,580,166	96,301,903	394,075,954	490,377,857	1,321,958,023	1,572,179,760	
23,773,773	-	23,773,773	-	-	-	23,773,773	12,411,973	
655,719,579	-	973,698,615	-	-	-	973,698,615	1,018,932,339	
<u>\$ 2,228,458,215</u>	<u>\$ 24,266,920</u>	<u>\$ 2,939,335,141</u>	<u>\$ 113,284,637</u>	<u>\$ 616,032,015</u>	<u>\$ 729,316,652</u>	<u>\$ 3,668,651,793</u>	<u>\$ 3,982,935,419</u>	

EXHIBIT Y-1
(Continued)

City of
COMPONENT
COMBINING
June 30, 2001 With

	Governmental Funds			
	Downtown Development Authority	Economic Development Corporation	Local Development Finance Authority	Museum of African American History
LIABILITIES, EQUITY AND OTHER CREDITS				
Current Liabilities Payable from Current Assets:				
Book Cash Overdraft.....	\$ -	\$ -	\$ -	\$ -
Accounts and Contracts Payable.....	1,343,556	58,650	-	651,770
Due to Other Governmental Agencies.....	565,903	-	-	-
Due to Primary Government.....	-	-	-	-
Other Current Liabilities.....	7,466,759	-	-	1,100,686
Total Current Liabilities Payable from Current Assets.....	9,376,218	58,650	-	1,752,456
Current Liabilities Payable from Restricted Assets:				
Accrued Interest on Bonds and Notes Payable.....	-	798,207	-	-
Loans and Other Short-Term Advances from Primary Government.....	-	421,210	-	-
Accounts and Contracts Payable.....	-	67,521,439	-	-
Bonds, Notes and Other Debt Payable - Current.....	-	-	-	-
Due to Primary Government.....	-	-	-	-
Total Current Liabilities from Restricted Assets.....	-	68,740,856	-	-
Bonds, Notes and Other Debt Payable - Noncurrent.....	207,444,198	14,014,838	96,520,000	-
Less Unamortized Discount.....	(1,773,943)	-	-	-
Bonds, Notes and Other Debt Payable - Noncurrent -				
Net of Unamortized Discount.....	205,670,255	14,014,838	96,520,000	-
Capital Leases Payable.....	-	-	-	-
Other Long-Term Liabilities.....	16,420	-	-	-
Finance Obligation.....	-	-	-	-
Deferred Revenue.....	-	16,164,594	-	-
Total Liabilities.....	215,062,893	98,978,938	96,520,000	1,752,456
Fund Equity and Other Credits:				
Contributed Capital, Net of Amortization.....	-	-	-	-
Investment in Fixed Assets.....	8,817,631	-	-	686,821
Retained Earnings:				
Unreserved.....	-	-	-	-
Reserved.....	-	-	-	-
Fund Balances:				
Reserved:				
Reserve for Restricted Assets.....	-	22,338,780	-	-
Unreserved:				
Surplus (Deficit) from Operations.....	210,308,945	14,270,042	18,859,167	(985,667)
Total Fund Equity (Deficit)	210,308,945	36,608,822	18,859,167	(985,667)
Total Fund Equity and Other Credits.....	219,126,576	36,608,822	18,859,167	(298,846)
Total Liabilities, Deferred Revenue, Fund Equity, and Other Credits...	\$ 434,189,469	\$ 135,587,760	\$ 115,379,167	\$ 1,453,610

**Detroit
UNITS
BALANCE SHEET**

Comparative Totals for 2000, as Adjusted

**EXHIBIT Y-1
(Continued)**

Governmental Funds			Proprietary Funds					2000
School District of the City of Detroit	Tax Increment Finance Authority	Governmental Component Units Totals	Detroit Transportation Corporation	Greater Detroit Resource Recovery Authority	Proprietary Component Units Totals	2001 Component Units Totals	Component Units Totals as Adjusted	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,218	
71,414,060	-	73,468,036	2,859,520	-	2,859,520	76,327,556	43,985,333	
-	-	565,903	-	-	-	565,903	1,012,427	
-	-	-	222,211	-	222,211	222,211	4,795,501	
123,782,630	-	132,350,075	-	-	-	132,350,075	127,614,585	
195,196,690	-	206,384,014	3,081,731	-	3,081,731	209,465,745	177,456,064	
-	-	798,207	-	2,375,689	2,375,689	3,173,896	4,672,625	
-	-	421,210	-	-	-	421,210	424,923	
-	-	67,521,439	3,000,000	14,246,294	17,246,294	84,767,733	18,478,880	
176,768,740	-	176,768,740	-	-	-	176,768,740	110,660,225	
-	24,266,920	24,266,920	-	1,280,078	1,280,078	25,546,998	771,200	
176,768,740	24,266,920	269,776,516	3,000,000	17,902,061	20,902,061	290,678,577	135,007,853	
459,672,220	-	777,651,256	-	419,785,000	419,785,000	1,197,436,256	1,265,101,252	
-	-	(1,773,943)	-	(4,404,689)	(4,404,689)	(6,178,632)	(7,107,246)	
459,672,220	-	775,877,313	-	415,380,311	415,380,311	1,191,257,624	1,257,994,006	
2,882,515	-	2,882,515	-	-	-	2,882,515	7,317,367	
216,938,617	-	216,955,037	-	-	-	216,955,037	214,251,788	
-	-	-	-	155,161,921	155,161,921	155,161,921	151,677,572	
122,846,449	-	139,011,043	1,218,531	-	1,218,531	140,229,574	174,798,854	
1,174,305,231	24,266,920	1,610,886,438	7,300,262	588,444,293	595,744,555	2,206,630,993	2,118,503,504	
-	-	-	97,299,972	-	97,299,972	97,299,972	104,274,672	
822,075,714	-	831,580,166	-	-	-	831,580,166	1,056,129,412	
-	-	-	4,354,646	27,587,722	31,942,368	31,942,368	11,264,455	
-	-	-	4,329,757	-	4,329,757	4,329,757	3,741,806	
209,405,385	-	231,744,165	-	-	-	231,744,165	355,433,875	
22,671,885	-	265,124,372	-	-	-	265,124,372	333,587,695	
232,077,270	-	496,868,537	8,684,403	27,587,722	36,272,125	533,140,662	704,027,831	
1,054,152,984	-	1,328,448,703	105,984,375	27,587,722	133,572,097	1,462,020,800	1,864,431,915	
\$ 2,228,458,215	\$ 24,266,920	\$ 2,939,335,141	\$ 113,284,637	\$ 616,032,015	\$ 729,316,652	\$ 3,668,651,793	\$ 3,982,935,419	

EXHIBIT Y-2

City of
COMPONENT
COMBINING STATEMENT OF REVENUES,
For the Year Ended June 30, 2001

	Governmental Funds		
	Downtown Development Authority	Economic Development Corporation	Local Development Finance Authority
Revenues:			
Taxes, Assessments, Interest and Penalties.....	\$ 13,824,895	\$ -	\$ 6,516,272
Shared Taxes and Grants.....	6,091,402	300,000	-
Contributions.....	-	-	-
Revenues from Use of Assets.....	-	-	-
Other Revenues.....	16,719,776	81,387,285	872,883
Total Revenues.....	36,636,073	81,687,285	7,389,155
Expenditures:			
Economic Development.....	71,498,285	83,701,082	120,000
Educational Development.....	-	-	-
Capital Outlays.....	-	-	-
Debt Service.....	18,994,355	388,454	9,128,825
Total Expenditures.....	90,492,640	84,089,536	9,248,825
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	(53,856,567)	(2,402,251)	(1,859,670)
Other Financing Sources (Uses):			
Other Financing Sources:			
Operating Transfer In.....	-	-	-
Transfer From Primary Government.....	11,403,012	-	4,610,324
Notes and Loan Proceeds.....	-	-	-
Total Other Financing Sources.....	11,403,012	-	4,610,324
Other Financing Uses:			
Operating Transfer Out.....	-	-	-
Transfer to Primary Government.....	-	-	-
Total Other Financing Uses.....	-	-	-
Total Other Financing Sources (Uses).....	11,403,012	-	4,610,324
Excess (Deficiency) of Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Financing Uses.....	(42,453,555)	(2,402,251)	2,750,654
Fund Equity at Beginning of Year	252,762,500	39,011,073	16,108,513
Fund Equity (Deficit) at End of Year	\$ 210,308,945	\$ 36,608,822	\$ 18,859,167

EXHIBIT Y-2

Detroit
UNITS
EXPENDITURES AND CHANGES IN FUND EQUITY
With Comparative Totals for 2000

Governmental Funds			2001	2000
Museum of African American History	School District of the City of Detroit	Tax Increment Finance Authority	Governmental Component Units Total	Governmental Component Units Total
\$ -	\$ 118,982,117	\$ -	\$ 139,323,284	\$ 138,255,030
469,499	1,360,853,003	8,121,388	1,375,835,292	1,315,539,324
1,048,552	-	-	1,048,552	1,885,270
-	21,289,267	861,884	22,151,151	60,112,780
<u>1,319,928</u>	<u>52,975,871</u>	<u>-</u>	<u>153,275,743</u>	<u>173,100,536</u>
2,837,979	1,554,100,258	8,983,272	1,691,634,022	1,688,892,940
7,026,805	-	1,208,564	163,554,736	68,218,242
-	1,525,638,861	-	1,525,638,861	1,478,743,301
-	117,775,630	-	117,775,630	92,914,104
<u>-</u>	<u>39,860,055</u>	<u>-</u>	<u>68,371,689</u>	<u>85,100,919</u>
<u>7,026,805</u>	<u>1,683,274,546</u>	<u>1,208,564</u>	<u>1,875,340,916</u>	<u>1,724,976,566</u>
(4,188,826)	(129,174,288)	7,774,708	(183,706,894)	(36,083,626)
-	6,649,053	-	6,649,053	-
2,224,072	-	5,562,836	23,800,244	10,951,383
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>770,291</u>
2,224,072	6,649,053	5,562,836	30,449,297	11,721,674
-	6,649,053	-	6,649,053	-
<u>-</u>	<u>-</u>	<u>32,246,383</u>	<u>32,246,383</u>	<u>80,423,042</u>
<u>-</u>	<u>6,649,053</u>	<u>32,246,383</u>	<u>38,895,436</u>	<u>80,423,042</u>
<u>2,224,072</u>	<u>-</u>	<u>33,454,947</u>	<u>(8,446,139)</u>	<u>(68,701,368)</u>
(1,964,754)	(129,174,288)	(18,908,839)	(192,153,033)	(104,784,994)
<u>979,087</u>	<u>361,251,558</u>	<u>18,908,839</u>	<u>689,021,570</u>	<u>793,806,564</u>
<u>\$ (985,667)</u>	<u>\$ 232,077,270</u>	<u>\$ -</u>	<u>\$ 496,868,537</u>	<u>\$ 689,021,570</u>

EXHIBIT Y-3

City of Detroit
COMPONENT UNITS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN EQUITY
 For the Year Ended June 30, 2001 With Comparative Totals for 2000, as Adjusted

	<u>Proprietary Funds</u>		<u>2001</u>	<u>2000</u>
	<u>Detroit</u>	<u>Greater Detroit</u>	<u>Proprietary</u>	<u>Proprietary</u>
	<u>Transportation</u>	<u>Resource Recovery</u>	<u>Component Units</u>	<u>Component Units</u>
	<u>Corporation</u>	<u>Authority</u>	<u>Totals</u>	<u>Totals</u>
				<u>as Adjusted</u>
Operating Revenues.....	\$ 722,162	\$ 107,892,897	\$ 108,615,059	\$ 105,616,045
Operating Expenses:				
Facility Operations.....	-	32,021,740	32,021,740	30,560,497
Waste Disposal Cost.....	-	17,958,072	17,958,072	16,331,360
Maintenance.....	1,977,865	-	1,977,865	2,424,487
Amortization.....	-	1,259,343	1,259,343	1,654,444
General and Administrative.....	7,416,481	2,440,639	9,857,120	9,916,326
Other.....	201,454	4,895,019	5,096,473	1,101,418
Depreciation.....	7,274,375	14,725,460	21,999,835	21,930,447
Total Operating Expenses.....	16,870,175	73,300,273	90,170,448	83,918,979
Operating Income (Loss).....	(16,148,013)	34,592,624	18,444,611	21,697,066
Non-Operating Revenues (Expense):				
Earnings on Investments.....	139,986	17,316,692	17,456,678	22,393,854
Rental Income.....	17,565	-	17,565	17,700
Other Income.....	604,709	-	604,709	116,578
Restricted Federal Grant.....	141,216	-	141,216	264,837
Unrealized Gain/(Loss) on Investments.....	587,951	-	587,951	(223,156)
Interest Expense.....	-	(31,519,413)	(31,519,413)	(32,976,283)
Total Non-Operating Revenues (Expense).....	1,491,427	(14,202,721)	(12,711,294)	(10,406,470)
Net Income (Loss) Before Operating Transfers.....	(14,656,586)	20,389,903	5,733,317	11,290,596
Operating Transfers from Primary Government.....	8,557,847	-	8,557,847	9,824,020
Net Income (Loss).....	(6,098,739)	20,389,903	14,291,164	21,114,616
Add Depreciation on Fixed Assets Acquired				
by Contributed Capital.....	6,974,700	-	6,974,700	6,979,380
Increase in Retained Earnings.....	875,961	20,389,903	21,265,864	28,093,996
Retained Earnings (Deficit) at Beginning of Year as Previously Stated..	7,098,502	7,197,819	14,296,321	(13,087,735)
Prior Period Adjustment.....	709,940	-	709,940	-
Retained Earnings (Deficit) at Beginning of Year as Adjusted.....	7,808,442	7,197,819	15,006,261	(13,087,735)
Retained Earnings at End of Year.....	8,684,403	27,587,722	36,272,125	15,006,261
Contributed Capital at Beginning of Year.....	104,274,672	-	104,274,672	111,254,052
Less Depreciation on Fixed Assets Acquired				
by Contributed Capital.....	(6,974,700)	-	(6,974,700)	(6,979,380)
Contributed Capital at End of Year.....	97,299,972	-	97,299,972	104,274,672
Equity at End of Year.....	\$ 105,984,375	\$ 27,587,722	\$ 133,572,097	\$ 119,280,933

City of Detroit
COMPONENT UNITS
COMBINING STATEMENT OF CASH FLOWS

For the Year Ended June 30, 2001 With Comparative Totals for 2000, as Adjusted

	<u>Proprietary Funds</u>			
	<u>Detroit Transportation Corporation</u>	<u>Greater Detroit Resource Recovery Authority</u>	<u>2001 Proprietary Component Units Totals</u>	<u>2000 Proprietary Component Units Totals as Adjusted</u>
Operating Income (Loss).....	\$ (16,148,013)	\$ 34,592,624	\$ 18,444,611	\$ 21,697,066
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Provided by (Used in) Operating Activity:				
Depreciation	7,274,375	14,725,460	21,999,835	21,930,447
Amortization.....	-	1,259,343	1,259,343	1,654,444
Other Income.....	763,490	-	763,490	399,115
Increase (Decrease) in Certain Assets and Liabilities:				
Due from Governmental Agencies.....	(915,310)	-	(915,310)	51,769
Other Receivables.....	(91,760)	2,034,745	1,942,985	903,955
Inventories.....	(248,487)	-	(248,487)	56,899
Prepaid Expenses.....	(17,392)	854,088	836,696	1,270,816
Accounts and Contracts Payable.....	1,330,311	2,954,562	4,284,873	(6,715,116)
Due to Primary Government.....	-	508,878	508,878	(74,124)
Deferred Revenue.....	316,329	-	316,329	(372,010)
Other Assets.....	592,980	-	592,980	220,594
Net Cash Provided by (Used in) Operating Activities.....	<u>(7,143,477)</u>	<u>56,929,700</u>	<u>49,786,223</u>	<u>41,023,855</u>
Cash Flows from Non-Capital Financing Activities:				
Transfers from Primary Government.....	8,557,847	-	8,557,847	9,824,020
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets.....	44,077	(35,828)	8,249	(1,273,437)
Principal Paid on Bond Maturity.....	-	(35,525,000)	(35,525,000)	(32,480,000)
Interest Paid on Bonds - Net.....	-	(31,666,781)	(31,666,781)	(33,122,764)
Net Cash Provided by (Used in) Capital and Related Financing Activities.....	<u>44,077</u>	<u>(67,227,609)</u>	<u>(67,183,532)</u>	<u>(66,876,201)</u>
Cash Flows from Investing Activities:				
Insurance Proceeds and Construction Reclass.....	(210,321)	-	(210,321)	(627,201)
(Purchases) Sales of Investments - Net.....	(302,937)	(15,518,809)	(15,821,746)	5,451,796
Proceeds from Sale Leaseback Financing Transaction, Net.....	-	3,484,349	3,484,349	3,047,616
Interest on Investment Securities.....	134,957	17,543,544	17,678,501	3,430,366
Net Cash Provided by (Used in) Investing Activities.....	<u>(378,301)</u>	<u>5,509,084</u>	<u>5,130,783</u>	<u>11,302,577</u>
Net Increase (Decrease) in Cash.....	<u>1,080,146</u>	<u>(4,788,825)</u>	<u>(3,708,679)</u>	<u>(4,725,749)</u>
Cash at Beginning of Year.....	<u>84,093</u>	<u>4,823,996</u>	<u>4,908,089</u>	<u>9,633,838</u>
Cash at End of Year.....	<u>\$ 1,164,239</u>	<u>\$ 35,171</u>	<u>\$ 1,199,410</u>	<u>\$ 4,908,089</u>

DETROIT 300

1701-2001

2001 Detroit's 300th Celebration



A happy youngster celebrates Detroit's 300th anniversary at the Hart Plaza last July.



A costumed actor playing Antoine de la Mothe, the founder of Detroit, re-enacts his landing on the shore of the Detroit River in July 1701. The event was part of the Detroit 300 celebration last summer and was enthusiastically received by the cheering crowd.



The arrival of the tall ships was one of the most well-received events during the Detroit 300 celebration in July. Detroit 300 attendees were allowed to board many of the ships — which included original vessels and replicas from around the world — from the docking area on the Detroit's riverwalk.

Photos courtesy of City of Detroit — Communications and Creative Services Department